



**SOMPO
HOLDINGS**

Innovation for Wellbeing

Highlights of 1H FY2015 Results

November 18, 2015

Sompo Japan Nipponkoa Holdings, Inc.



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1. Trend of business results

2. Domestic P&C insurance

3. Domestic life insurance

4. Overseas insurance

5. Investment

Summary of 1H FY2015 Results

- Profitability of domestic P&C insurance keeps improving. In 1H FY2015, while consolidated ordinary profit decreased due to impact of domestic natural disasters, consolidated net income increased by ¥13.1 billion to ¥28.5 billion in the absence of one-time merger costs.
- We keep the bottom-line of our business forecasts for FY2015, consolidated ordinary profit of ¥230 billion (+¥21.6 billion) and consolidated net income of ¥160 billion (+¥105.7 billion).

- Combined ratio of Sompo Japan Nipponkoa in 1H FY2015 was 89.8% (excluding CALI and household earthquake).
- While incurred losses for natural disasters, such as Typhoon No.15, increased, the impact on full-year earnings is limited.
- As for domestic life insurance, sales of medical insurance products keeps favorable. Profit level is steady against the full-year business forecast.
- In overseas business there was impact of one-time big claims, but progress was basically steady.
- We have steadily reduced strategic-holding stocks (¥42.6 billion reduction in 1H FY2015), and achieved over ¥700 billion reduction since the business integration in FY2010.
- We increased interim dividend per share by ¥10 to ¥40.

Overview of 1H FY2015 Results – Consolidated basis

- ◆ Top-line steadily increased. While consolidated ordinary profit has decreased in 1H FY2015 mainly due to impact of natural disasters, such as Typhoon No. 15, we keep the full-year business forecast of ¥230 billion consolidated ordinary profit and ¥160 billion consolidated net income in FY2015.

(Billions of yen)	1H FY2014	1H FY2015	Change	FY2015 (Forecast)
Consolidated ordinary income	1,606.2	1,675.7	+69.4 (+4.3%)	-
Net premiums written (P&C)	1,244.4	1,330.5	+86.0 (+6.9%)	2,581.0
Life insurance premiums	134.3	143.6	+9.3 (+6.9%)	277.0
Consolidated ordinary profit	103.9	43.5	-60.4	230.0
Sompo Japan Nipponkoa* ¹	97.4	20.1	-77.2	178.0
Himawari Life	12.6	9.5	-3.0	15.9
Overseas insurance subsidiaries	7.6	11.3	+3.7	24.3
Consolidated adjustment* ² /Others	-13.7	2.4	+16.2	11.7
Consolidated net income* ³	15.4	28.5	+13.1	160.0
Sompo Japan Nipponkoa* ¹	11.6	8.8	-2.8	126.0
Himawari Life	7.9	6.3	-1.6	10.2
Overseas insurance subsidiaries	6.5	9.2	+2.6	18.7
Consolidated adjustment* ² /Others	-10.7	4.1	+14.9	4.9
(Reference) Adjusted profit (by business segment)	-	-	-	223.0
Domestic P&C insurance	43.5	37.5	-5.9	112.7
Domestic life insurance	-	-	-	90.0
Overseas insurance	6.3	9.0	+2.6	18.4
Financial & other services	0.6	0.9	+0.2	2.2

*1 The figures prior to September 1, 2014 are the sum of Sompo Japan and Nipponkoa. (The same shall apply hereafter.)

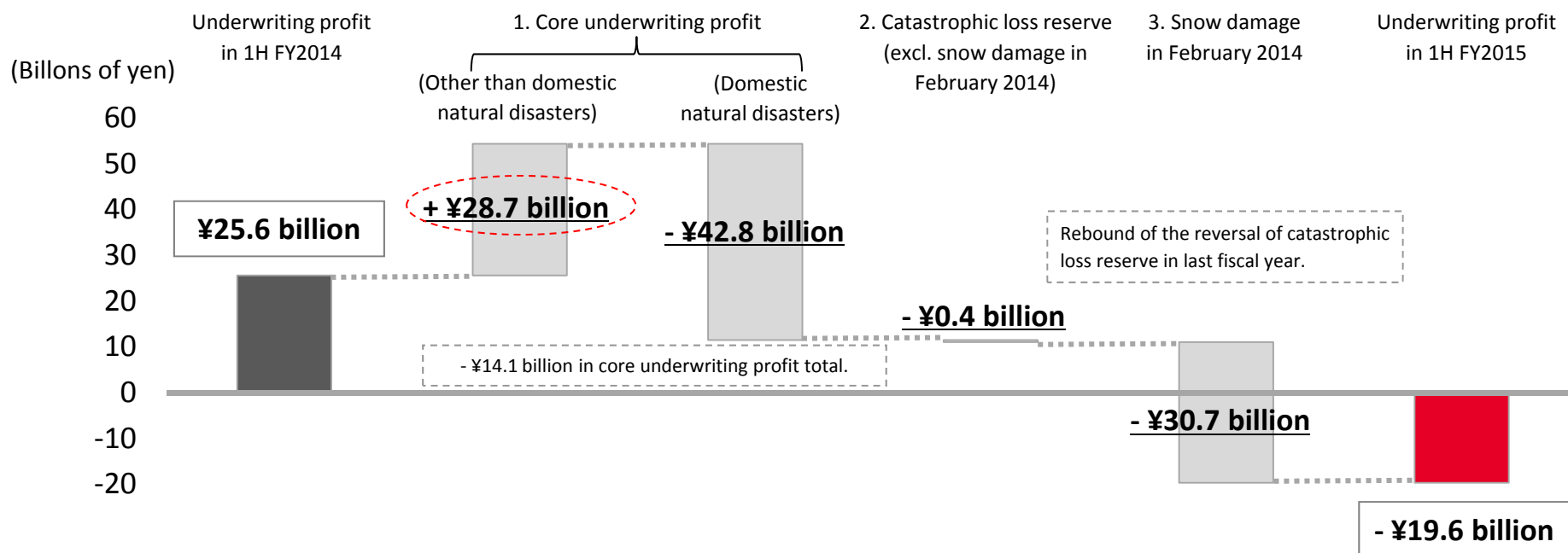
*2 “Purchase method” accounting was adopted upon the establishment of Sompo Japan Nipponkoa Holdings (the former NKSJ Holdings). In the consolidated accounts of the holdings, assets and liabilities of the former Nipponkoa and some group companies were acquired and carried on the balance sheet at fair value at the time of business integration. (This gave rise to a difference between the carrying amount in the non-consolidated accounts of Sompo Japan Nipponkoa and some group companies, and the carrying amount in consolidated accounts of the holdings.) Therefore, realized gains/losses, etc. of Sompo Japan Nipponkoa must be adjusted, and this adjustment is included in the above “consolidated adjustment.”

*3 Consolidated net income denotes net income (loss) attributable to shareholders of the parent. (The same shall apply hereafter.)

Main Points of Consolidated Results – (1) Underwriting Profit

◆ Regardless of impact of natural disasters, core underwriting profit excluding domestic natural disasters increased, and fundamental profitability continued to improve.

Changing factors of underwriting profit (Sompo Japan Nipponkoa)



	1. Core underwriting profit	2. Catastrophic loss reserve	3. Snow damage in February 2014
1H FY2014 Actual	¥37.7 billion	- ¥40.5 billion	¥28.4 billion
1H FY2015 Actual	¥23.6 billion	- ¥40.9 billion	- ¥2.3 billion

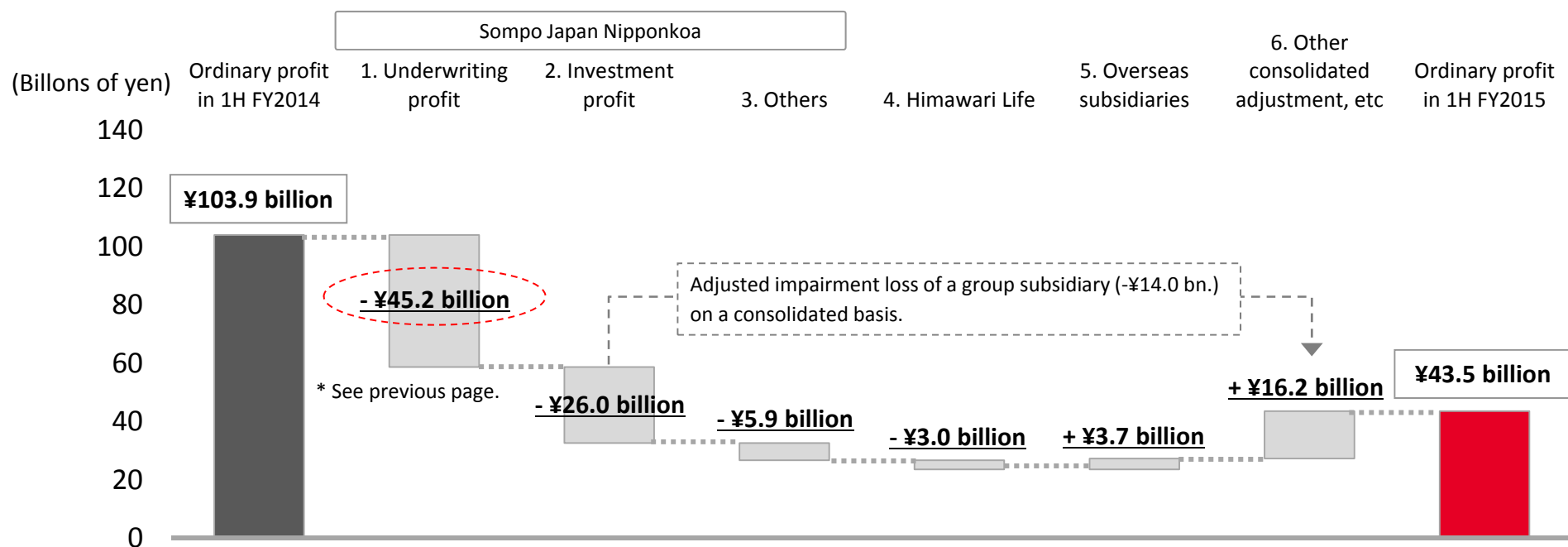
* Core underwriting profit is underwriting profit less the impact related to catastrophic loss reserve, and snow damage in February 2014.

* Domestic natural disasters are only ones that occurred in the fiscal year.

Main Points of Consolidated Results – (2) Ordinary Profit

◆ Ordinary profit decreased in 1H FY2015, but it is mainly due to natural disasters, whose impact is expected to be eased in the full fiscal year.

Changing factors of consolidated ordinary profit

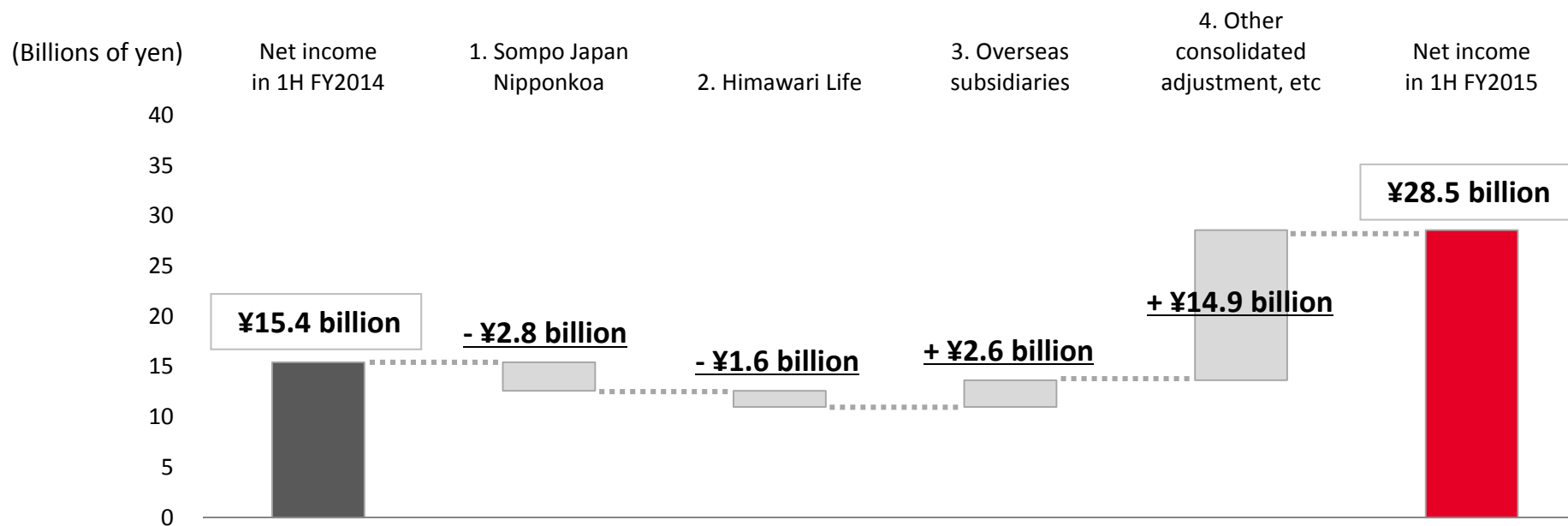


	1. Underwriting profit	2. Investment profit	3. Others	4. Himawari Life	5. Overseas subsidiaries	6. Other consolidated adjustment, etc
1H FY2014 Actual	¥25.6 billion	¥72.4 billion	- ¥0.6 billion	¥12.6 billion	¥7.6 billion	- ¥13.7 billion
1H FY2015 Actual	- ¥19.6 billion	¥46.3 billion	- ¥6.5 billion	¥9.5 billion	¥11.3 billion	¥2.4 billion

Main Points of Consolidated Results – (3) Net Income

◆ Consolidated net income improved by ¥13.1 billion to ¥28.5 billion.

Changing factors of consolidated net income



	1. Sompo Japan Nipponkoa	2. Himawari Life	3. Overseas subsidiaries	4. Other consolidated adjustment, etc
1H FY2014 Actual	¥11.6 billion	¥7.9 billion	¥6.5 billion	- ¥10.7 billion
1H FY2015 Actual	¥8.8 billion	¥6.3 billion	¥9.2 billion	¥4.1 billion

Business Forecasts for FY2015 – Consolidated basis

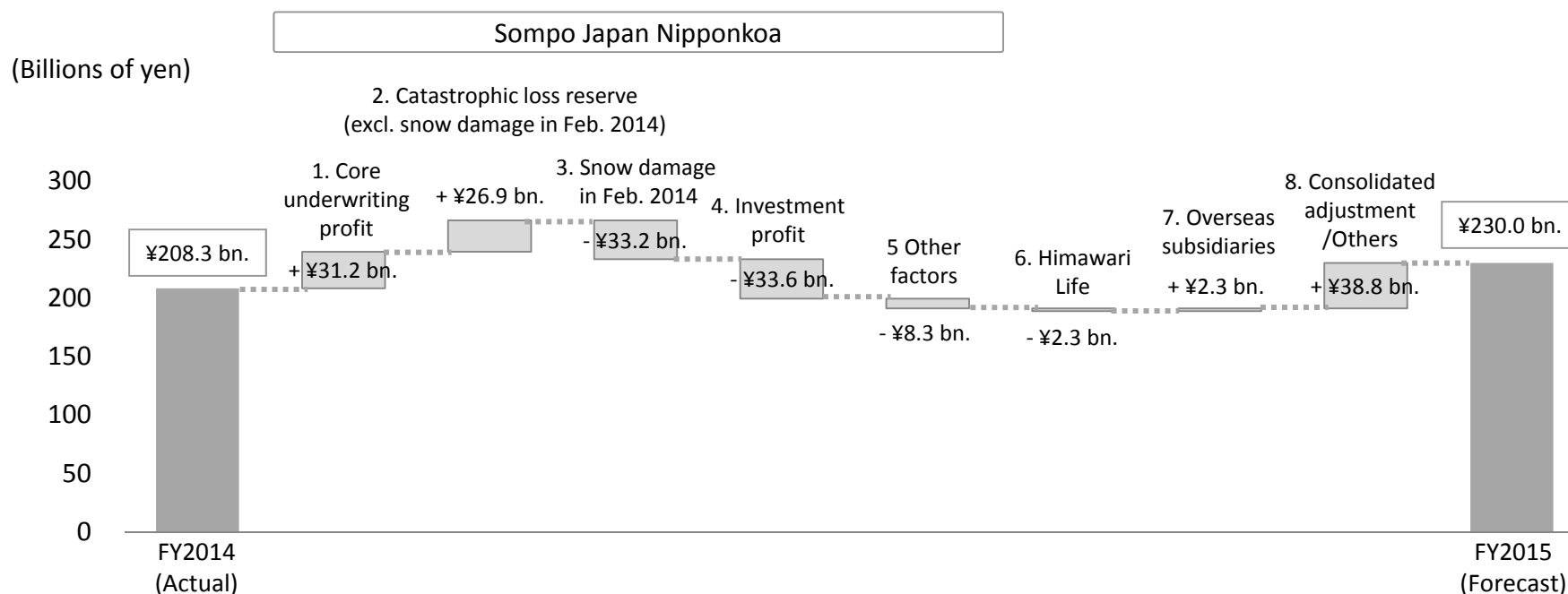
(Billions of yen)	FY2014 (Actual)	FY2015 (Forecast)	Change	
Net premiums written (P&C)	2,508.0	2,581.0	+72.9	(+2.9%)
Life insurance premiums	277.2	277.0	-0.2	(-0.1%)
Consolidated ordinary profit	208.3	230.0	+21.6	(+10.4%)
Sompo Japan Nipponkoa	195.1	178.0	-17.1	(-8.8%)
Himawari Life	18.3	15.9	-2.3	(-12.8%)
Overseas subsidiaries	21.9	24.3	+2.3	(+10.6%)
Consolidated adjustment* ¹ /others	-27.1	11.7	+38.8	(-)
Consolidated net income	54.2	160.0	+105.7	(+194.8%)
Sompo Japan Nipponkoa	45.0	126.0	+80.9	(+179.6%)
Himawari Life	9.7	10.2	+0.5	(+5.7%)
Overseas subsidiaries	19.4	18.7	-0.7	(-3.8%)
Consolidated adjustment* ¹ /others	-19.9	4.9	+24.9	(-)
(Reference) Adjusted profit (by business segment)	138.3	223.0	+84.6	(+61.2%)
Domestic P&C insurance	69.9	112.7	+42.8	(+61.3%)
Domestic life insurance	47.4	90.0	+42.6	(+89.9%)
Overseas insurance	18.6	18.4	-0.2	(-1.2%)
Financial & other services	2.3	2.2	-0.1	(-5.5%)

*1 “Purchase method” accounting was adopted upon the establishment of Sompo Japan Nipponkoa Holdings (the former NKSJ Holdings). In the consolidated accounts of the holdings, assets and liabilities of the former Nipponkoa and some group companies were acquired and carried on the balance sheet at fair value at the time of business integration. (This gave rise to a difference between the carrying amount in the non-consolidated accounts of Sompo Japan Nipponkoa and some group companies, and the carrying amount in consolidated accounts of the holdings.) Therefore, realized gains/losses, etc. of Sompo Japan Nipponkoa must be adjusted, and this adjustment is included in the above “consolidated adjustment.”

Main Points of Business Forecasts for FY2015 – Ordinary Profit

◆ Consolidated ordinary profit is forecast to improve to ¥230.0 billion (+¥21.6 billion) mainly due to increase in underwriting profit.

Main components of consolidated ordinary profit



	1. Core underwriting profit	2. Catastrophic loss reserve	3. Snow damage in Feb. 2014	4. Investment profit	5. Other factors	6. Himawari Life	7. Overseas subsidiaries	8. Consolidated adjustment /Others
FY2014 Actual	¥58.2 bn.	- ¥53.6 bn.	¥38.5 bn.	¥151.5 bn.	¥0.4 bn.	¥18.3 bn.	¥21.9 bn.	- ¥27.1 bn.
FY2015 Forecast	¥89.4 bn.	- ¥26.7 bn.	¥5.3 bn.	¥117.9 bn.	- ¥7.9 bn.	¥15.9 bn.	¥24.3 bn.	¥11.7 bn.

1. Trend of business results

2. Domestic P&C insurance

3. Domestic life insurance

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5. Investment

Overview of 1H FY2015 Results – Sampo Japan Nipponkoa

◆ Top-line steadily increased. Combined ratio drastically improved mainly due to improving loss ratio.

(Billions of yen)	1H FY2014	1H FY2015	Change
Net premiums written	1,097.4	1,140.6	+43.1 (+3.9%)
(excl. CALI, household earthquake)	942.7	981.7	+39.0 (+4.1%)
Loss ratio	65.6%	59.3%	-6.3pt
(excl. CALI, household earthquake)	63.3%	56.3%	-6.9pt
Net expense ratio	32.0%	31.7%	-0.3pt
(excl. CALI, household earthquake)	33.9%	33.5%	-0.4pt
Combined ratio	97.6%	91.0%	-6.6pt
(excl. CALI, household earthquake)	97.2%	89.8%	-7.3pt
Underwriting profit	25.6	-19.6	-45.2
Investment profit	72.4	46.3	-26.0
Ordinary profit	97.4	20.1	-77.2
Net income	11.6	8.8	-2.8
+Provisions for catastrophic loss reserve (after tax)	-5.7	29.1	+34.8
+Provisions for reserve for price fluctuation (after tax)	3.4	2.9	-0.5
-Gains/losses on sales of securities and impairment losses on securities (after tax)	16.8	1.6	-15.1
-Special factors (after tax)* ¹	-54.8	-	+54.8
Adjusted profit	47.4	39.2	-8.1

Mainly due to provision of reserve for outstanding losses and claims (¥68.5 billion) for domestic natural disasters.

Due to impairment losses on securities, etc. (canceled on a consolidated basis)

(Reference)
Adjusted
profit

*1 Special factors are one-time merger costs, etc.

Net Premiums Written

◆ Net premiums written increased by 3.9% year on year mainly in fire and allied lines and voluntary automobile.

Net premiums written by product line

(Billions of yen)	1H FY2014	1H FY2015	Change		FY2015 (Forecast)
Fire and Allied Lines	150.5	175.5	+24.9	(+16.6%)	332.0
Marine	26.4	26.0	-0.3	(-1.2%)	55.2
Personal Accident	100.0	99.9	-0.0	(-0.1%)	187.1
Voluntary Automobile	515.4	530.1	+14.6	(+2.8%)	1,071.7
CALI	154.2	158.3	+4.0	(+2.7%)	302.2
Other	150.6	150.5	-0.1	(-0.1%)	272.3
of which, Liability	91.6	88.8	-2.8	(-3.1%)	148.0
Total	1,097.4	1,140.6	+43.1	(+3.9%)	2,220.9
Total (excl. CALI, household earthquake)	942.7	981.7	+39.0	(+4.1%)	1,917.5

(Reference) Year-on-Year comparison of voluntary automobile insurance (end of September 2015)

	Sompo Japan Nipponkoa		
	# of vehicles	Premium /vehicle	Total Premium
Non-Fleet	-0.9%	+3.6%	+2.6%
Fleet	+0.9%	+4.0%	+4.9%
Total	-0.6%	+3.6%	+3.0%

*Performance evaluation basis

(Main factors for change of net premiums written)

Fire and Allied Lines: Drastically increased due to front-loaded demand ahead of product revision in October.

(Abolition of long-term policies of over 10 years, and revision of premium rate)

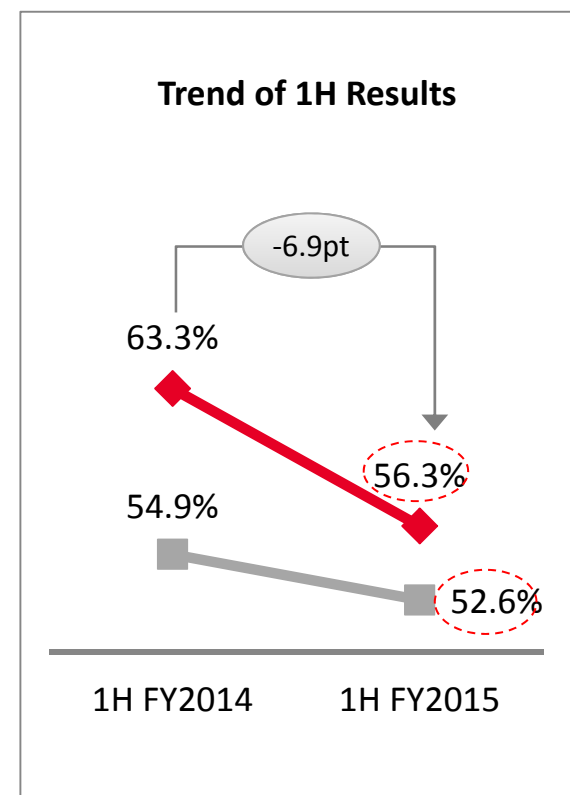
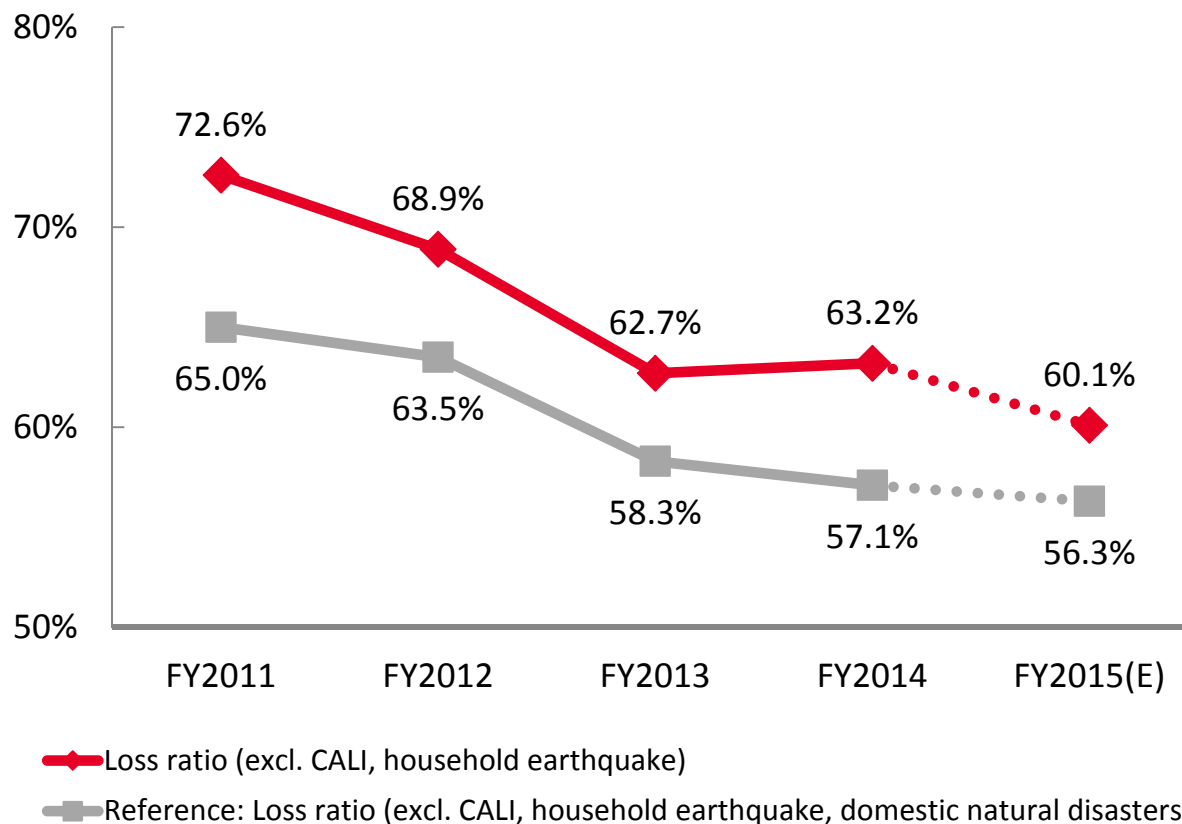
Voluntary Automobile: Increased mainly due to the impact of product and premium rate revisions.

Liability: Decreased mainly due to improvement of underwriting result in certain big contracts.

Loss Ratio (W/P)

◆ In 1H FY2015, loss ratio drastically dropped by 6.9 points because profitability of automobile insurance improved and the impact of snow damage in February 2014 was gone.

Trends of loss ratio (excl. CALI, household earthquake)

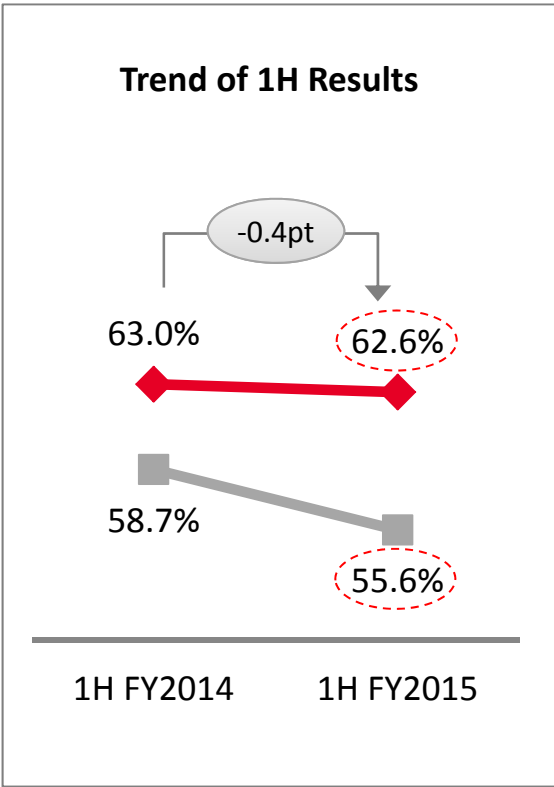
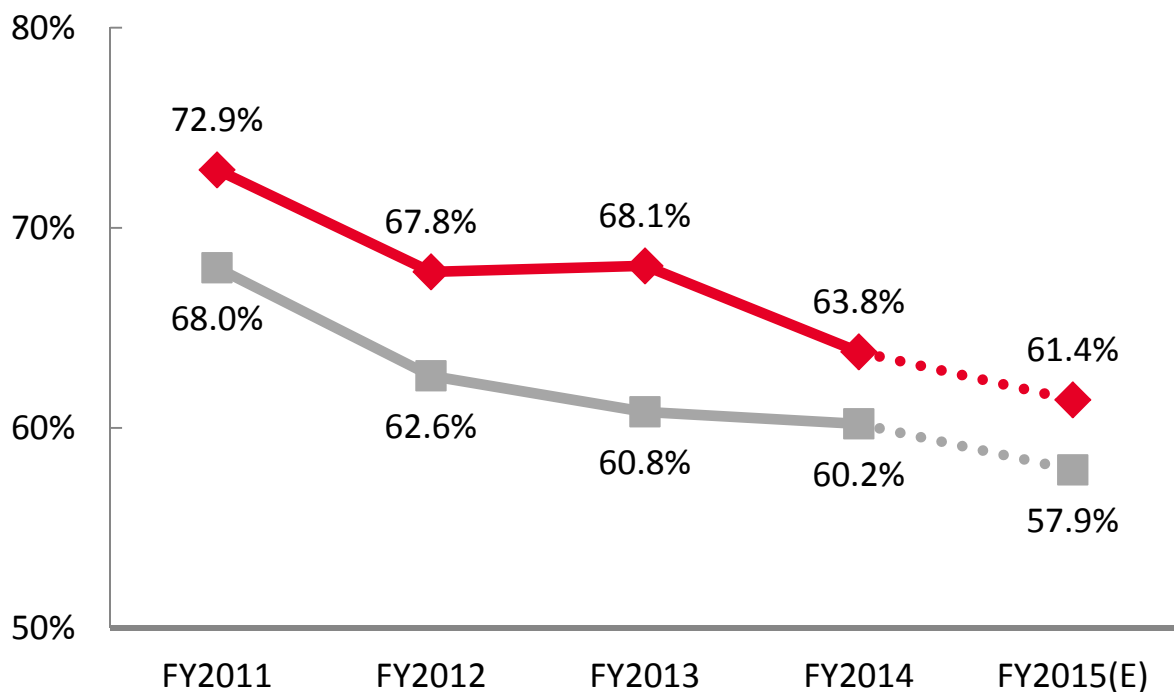


* Loss ratio is on a written paid basis (including loss adjustment expense).

Loss Ratio (E/I)

◆ E/I loss ratio improved by 0.4 point in 1H FY2015 mainly due to improving profitability of automobile insurance. E/I loss ratio excluding natural disasters drastically improved.

Trends of E/I loss ratio (excl. CALI, household earthquake)

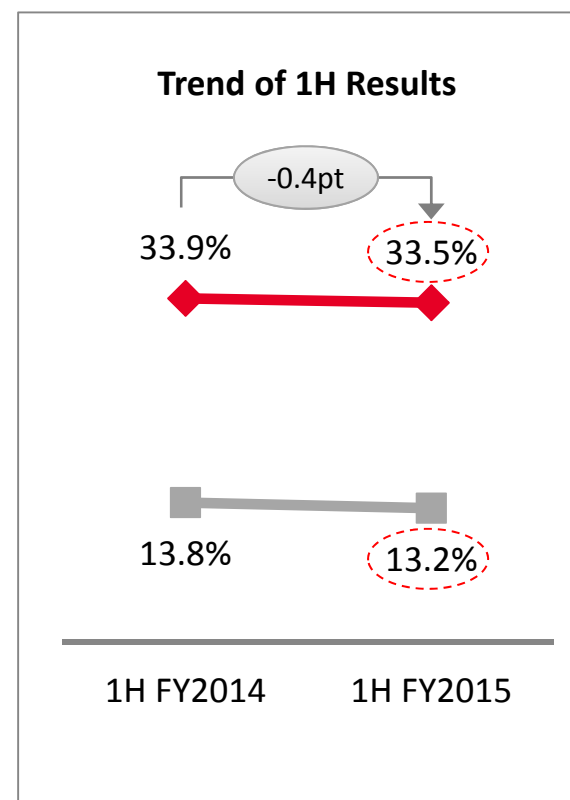
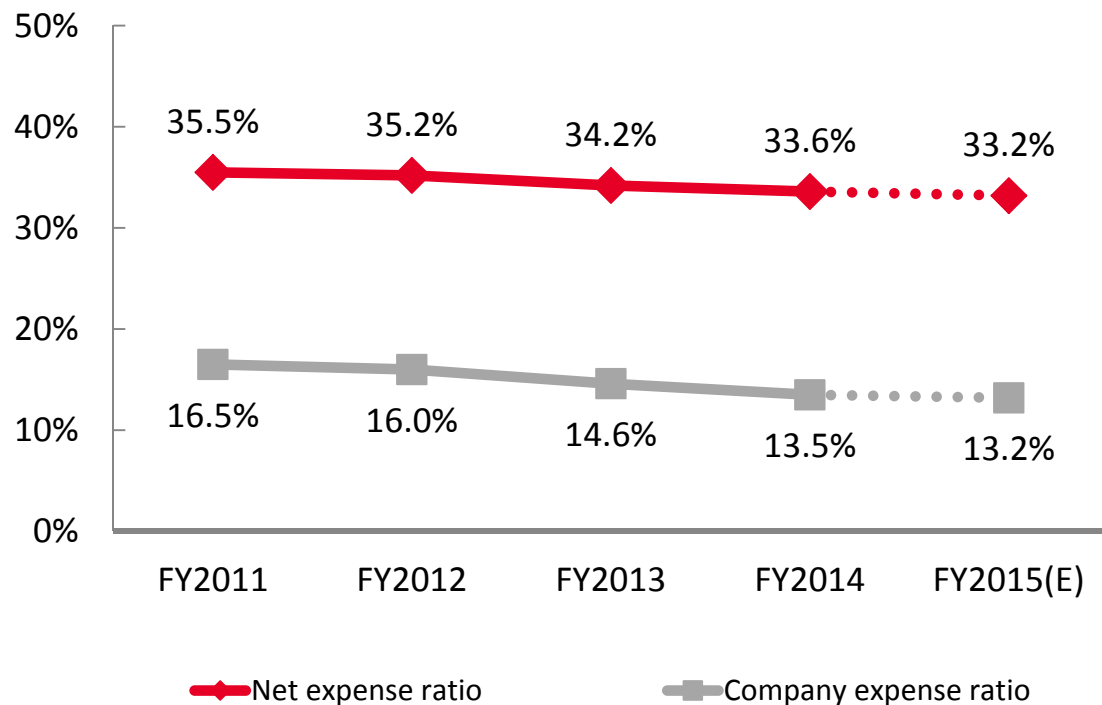


- ◆ E/I loss ratio (excl. CALI, household earthquake)
- Reference: E/I loss ratio (excl. CALI, household earthquake, domestic natural disasters)

Net Expense Ratio

◆ Net expense ratio, especially company expense ratio, steadily decreased in line with the plan.

Trends of net expense ratio (excl. CALI, household earthquake)

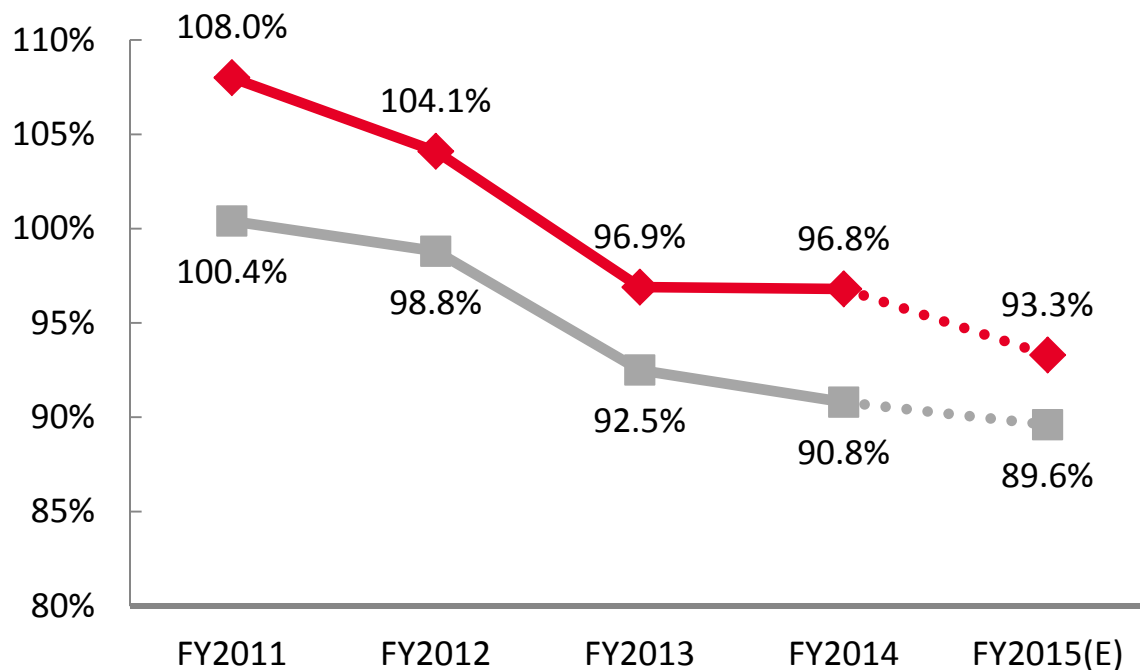


* Company expense ratio is the ratio of operating, general administrative expenses for underwriting against the net premiums written.

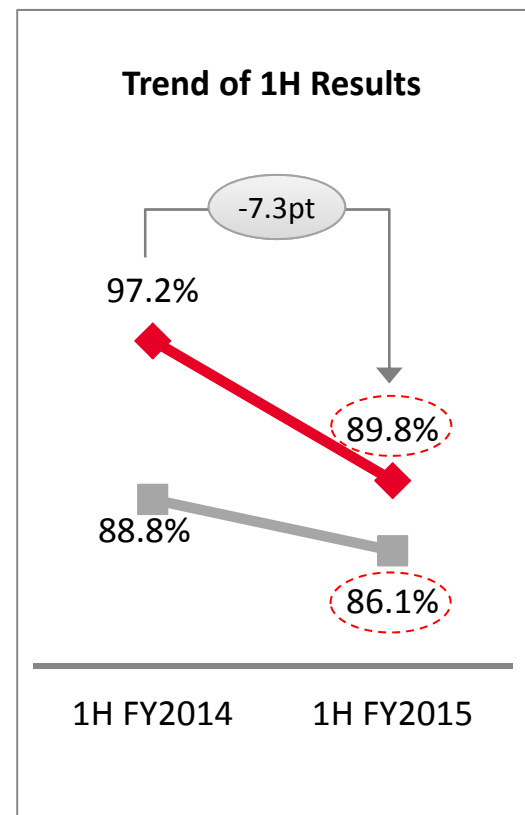
Combined Ratio

◆ Combined ratio come down to below 90% in 1H FY2015 due to drastic improvement of loss ratio, and steady decrease of net expense ratio.

Trends of combined ratio (excl. CALI, household earthquake)



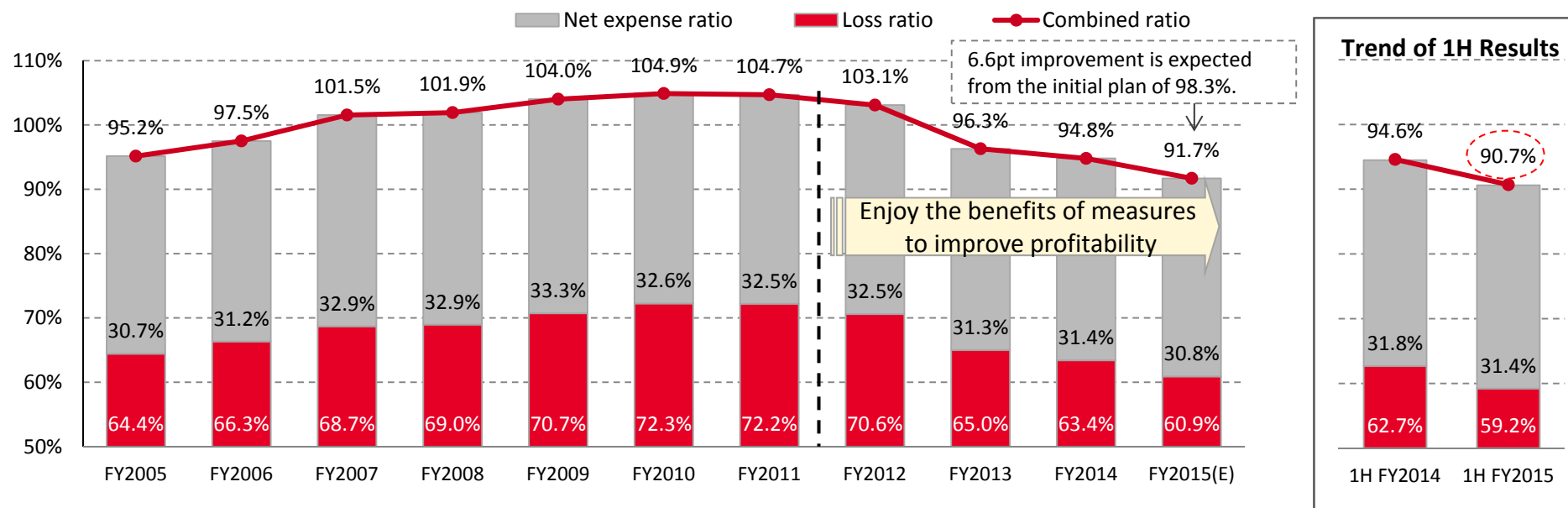
◆ Combined ratio (excl. CALI, household earthquake)
 ■ Reference: Combined ratio (excl. CALI, household earthquake, domestic natural disasters)



Combined Ratio of Automobile Insurance

◆ Combined ratio of automobile insurance in 1H FY2015 was 90.7% due to impact of product and premiums rate revisions, etc.

Combined ratio of automobile insurance (Sompo Japan Nipponkoa)



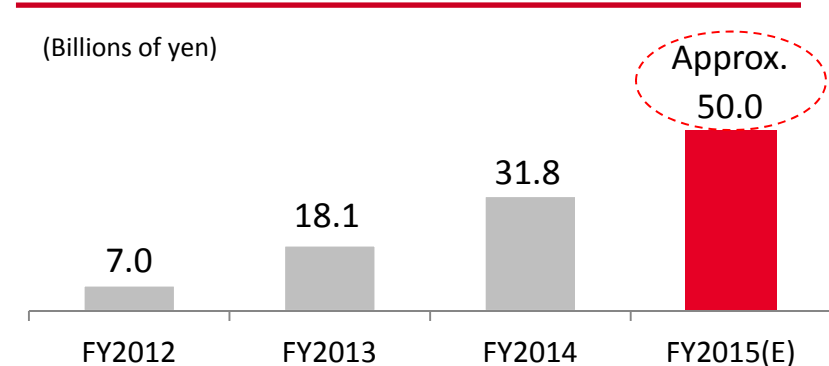
(Reference) Revisions of premiums rate and revision of driver rating system in automobile insurance (non-fleet)

		FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Sompo Japan Nipponkoa	(Sompo Japan)	April +0.8%	April +1.7%	October Driver rating system revision	April +2.1%	July +2.5%	October -0.2%
	(Nipponkoa)	December +1.4%	January +1.8%		April +2.0%	September +2.5%	

Merger Synergies and One-time Merger Costs

◆ Cost reduction effect through the merger steadily progressed. The full year forecast for merger synergy stays approximately ¥50 billion.

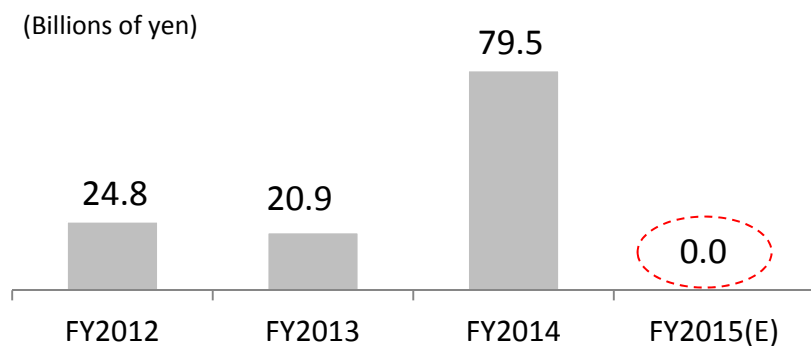
Merger synergies



* Cost reduction compared with FY2011.

	FY2015		Key points
	Plan	Forecast	
Merger synergies	56	Approx. 50	-
Personnel cost	28	Approx. 29 (+1)	Achieved the target due to reduction of employees.
Non personnel cost	28	Approx. 21 (-7)	<ul style="list-style-type: none"> Impact of consumption tax hike: approx. -¥4.5 bn. Call center, sales force support, etc.: approx. -¥2.5 bn.

One-time merger costs



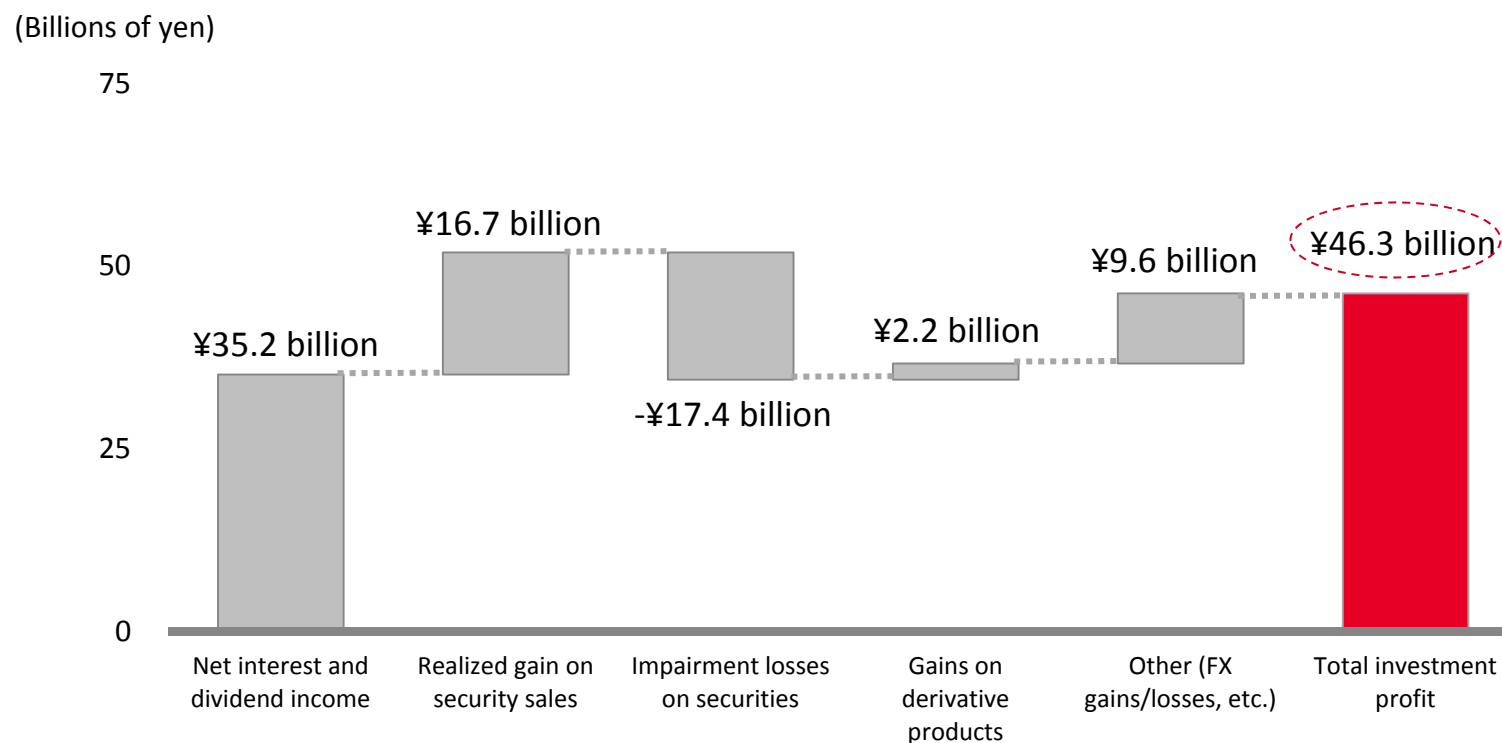
	Cumulative		Key points
	Plan	Forecast	
One-time merger costs	120	Approx. 125	-
Personnel cost	17	Approx. 20 (+3)	Increase in the number of employees applying to voluntary early retirement plan, etc.
Non personnel cost	103	Approx. 105 (+2)	Impact of consumption tax hike, etc.

* Merger costs are excluded from the calculation process of adjusted profit.

Investment Profit

◆ Investment profit is basically steady due to flexible sales of foreign bonds, etc.

Breakdown of investment profit in 1H FY2015 (Sompo Japan Nipponkoa)



1H FY2014 Actual	¥39.0 bn.	¥25.2 bn.	- ¥0.1 bn.	- ¥0.7 bn.	¥9.1 bn.	¥72.4 bn.
1H FY2015 Actual	¥35.2 bn.	¥16.7 bn.	- ¥17.4 bn.	¥2.2 bn.	¥9.6 bn.	¥46.3 bn.
FY2015 Forecast	¥65.4 bn.	¥59.8 bn.	- ¥17.5 bn.	- ¥1.6 bn.	¥11.8 bn.	¥117.9 bn.

Business Forecasts for FY2015 – Sampo Japan Nipponkoa

(Billions of yen)	FY2014 (Actual)	FY2015 (Forecast)	Change
Net premiums written	2,181.3	2,220.9	+39.6 (+1.8%)
(excl. CALI, household earthquake)	1,875.2	1,917.5	+42.3 (+2.3%)
Loss ratio	65.6%	63.0%	-2.6pt
(excl. CALI, household earthquake)	63.2%	60.1%	-3.1pt
E/I loss ratio (excl. CALI, household earthquake)	63.8%	61.4%	-2.4pt
Net expense ratio	31.8%	31.4%	-0.4pt
(excl. CALI, household earthquake)	33.6%	33.2%	-0.4pt
Combined ratio	97.4%	94.4%	-3.0pt
(excl. CALI, household earthquake)	96.8%	93.3%	-3.5pt
Underwriting profit	45.2	68.0	+22.7 (+50.3%)
Investment profit	151.5	117.9	-33.6 (-22.2%)
Ordinary profit	195.1	178.0	-17.1 (-8.8%)
Net income	45.0	126.0	+80.9 (+179.6%)
+Provisions for catastrophic loss reserve (after tax)	-7.7	13.6	+21.4
+Provisions for reserve for price fluctuation (after tax)	6.3	5.6	-0.6
-Gains/losses on sales of securities and impairment losses on securities (after tax)	45.6	30.1	-15.5
-Special factors (after tax)* ¹	-80.0	-3.7	+76.3
Adjusted profit	77.9	118.9	+40.9 (+52.5%)

(Reference)
Adjusted
profit

*1 Special factors are one-time merger costs, etc.

Assumption of Business Forecasts for FY2015

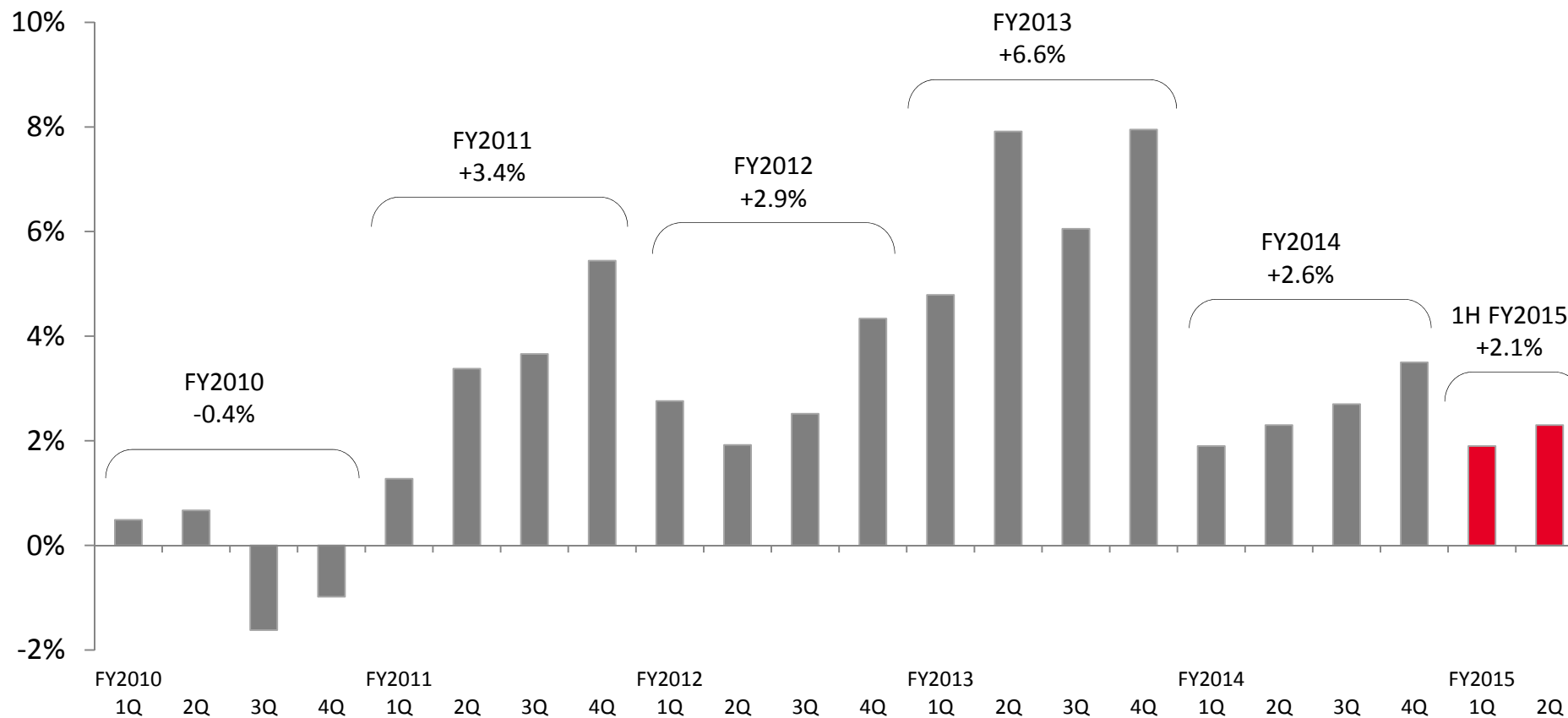
Losses from domestic natural disasters (occurring in the fiscal year)	¥66.0 billion
Snow damage in February 2014	Net claims paid : ¥7.6 billion
Catastrophic loss reserve	Net provision : ¥19.1 billion
Provision rate of catastrophic loss reserve	Provision rate of fire group : 10% Provision rate of automobile group : 3.2%
Market indicators	(Stock) Nikkei 225 : ¥17,388 (Interest yield) 10y JGB : 0.36% (Foreign exchange) 1US\$: ¥119.96 1Euro : ¥134.97
Interest and dividend income	Gross : ¥107.8 billion Net : ¥65.4 billion
Realized gains on securities	Realized gains on security sales : ¥59.8 billion Impairment losses on securities : ¥17.5 billion
Reserve for price fluctuation	Net provision : ¥8.0 billion

* Updated assumption of business forecast to latest figures based on situation at the end of 1H FY2015.

(Losses from domestic natural disasters: from ¥43.0 billion to ¥66.0 billion, Market indicators: basically assumed ones at the end of September 2015, etc.)

(Reference) Premiums (Performance Evaluation Basis)

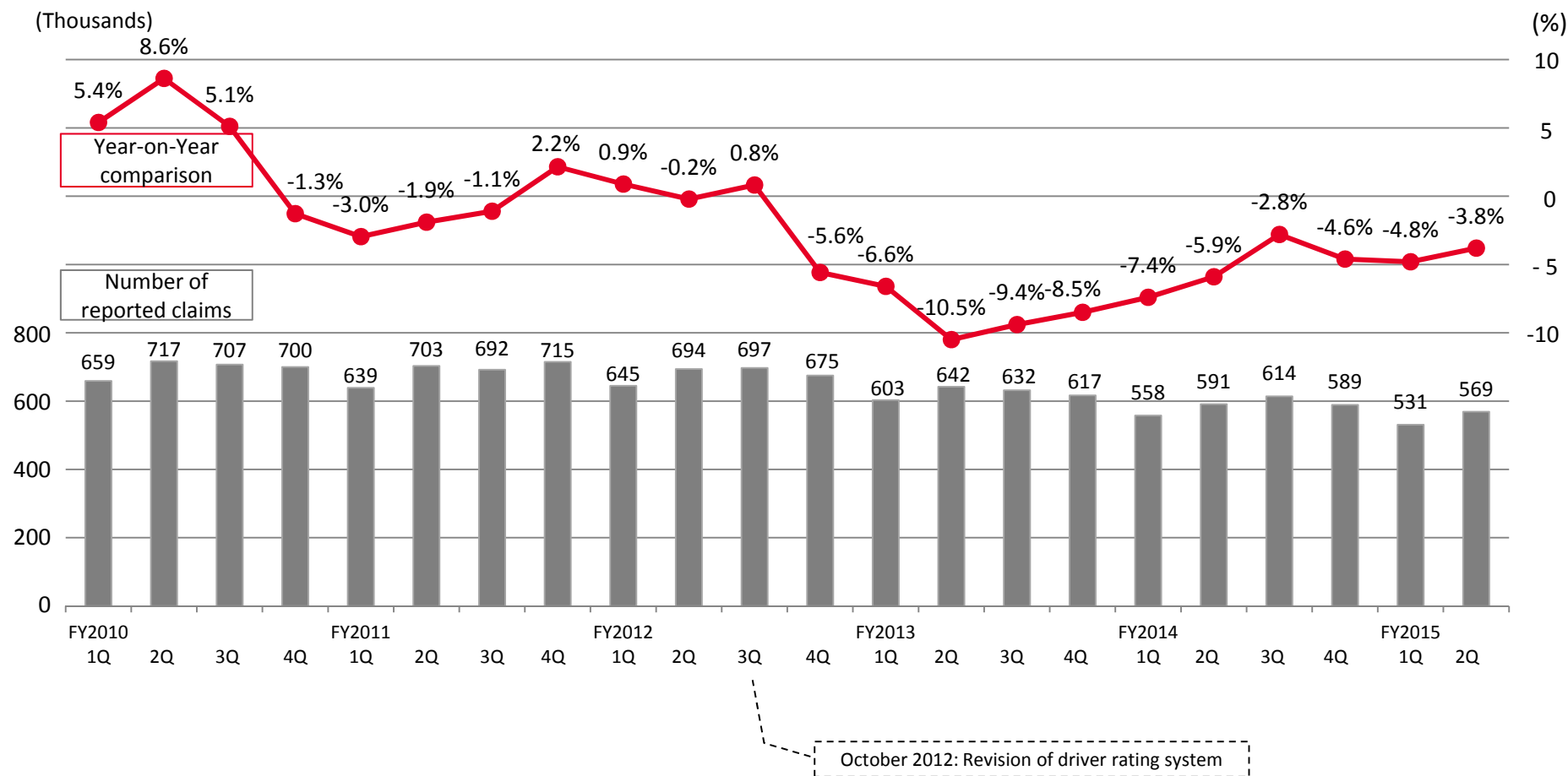
Quarterly trends of premium increase (General lines total, Year-on-Year comparison)



* Premium is performance evaluation basis.

(Reference) Number of Reported Claims of Automobile Insurance

Trends of number of reported claims



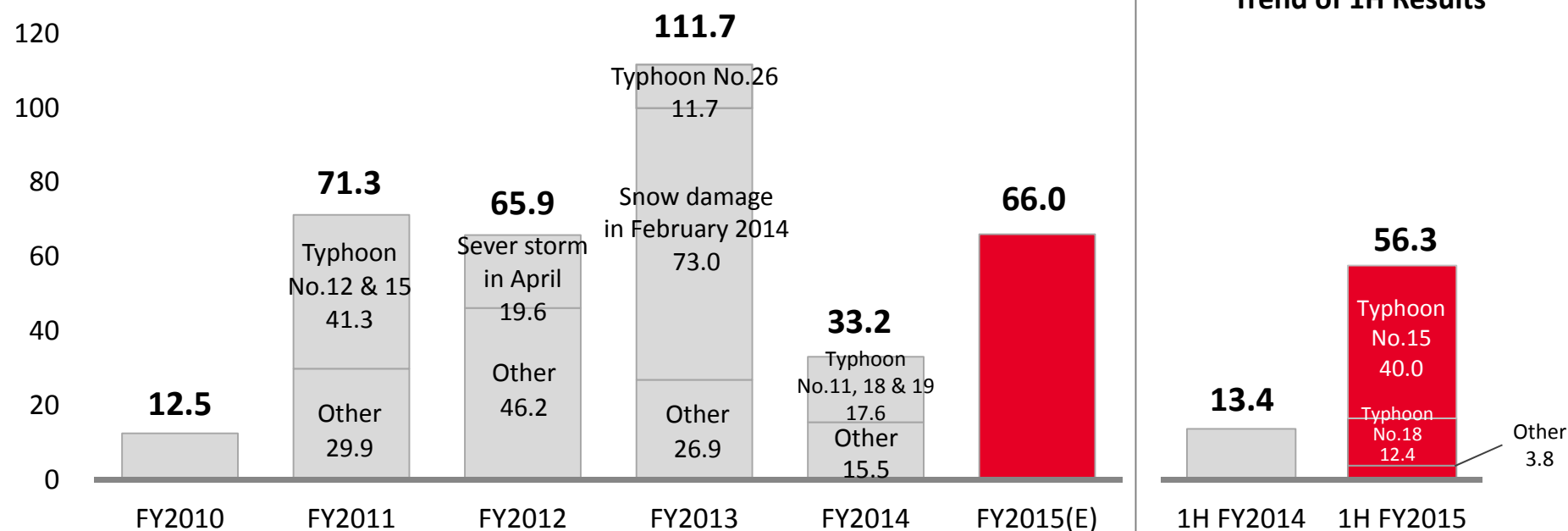
* Year on Year comparison is adjusted based on calendar.

* The number of reported claims are excluded for certain natural disasters, whose incurred loss for automobile insurance exceeds certain threshold.

(Reference) Domestic Natural Disasters

Trends of net loss occurred for domestic natural disasters (only events that occurred in the fiscal year)

(Billions of yen)

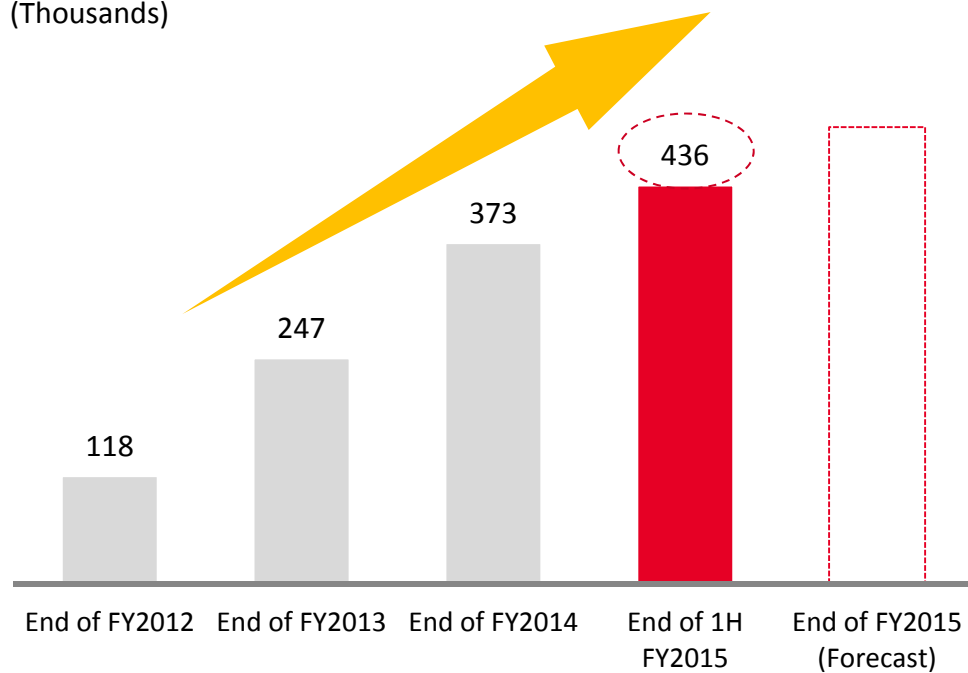


* Excluding Great East Japan Earthquake

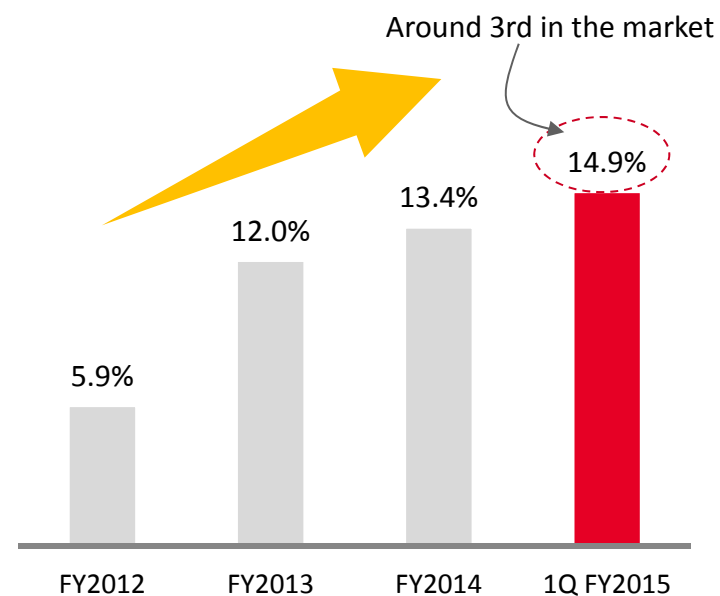
(Reference) Direct Business

Trends of policies in force of “Otona no Jidosha Hoken”

(Thousands)



Market share of new business premiums in direct automobile insurance (estimation)



* Our estimation by gross written premiums.

1. Trend of business results

2. Domestic P&C insurance

3. Domestic life insurance

4. Overseas insurance

5. Investment

Overview of 1H FY2015 Results – Himawari Life

- ◆ Annualized new premium increased, mainly in medical insurance. Net income steadily progressed to ¥6.3 billion.
- ◆ Policies in force steadily increased mainly in protection-type product.

(Billions of yen)	1H FY2014	1H FY2015	Change		FY2014 (Actual)	FY2015 (Forecast)	Change	
Annualized new premium	17.3	20.3	+3.0	(+17.4%)	35.6	39.5	+3.9	(+11.0%)
Premium and other income	185.2	193.2	+8.0	(+4.3%)	380.7	390.8	+10.0	(+2.6%)
(excl. lump-sum payment)	183.6	191.1	+7.4	(+4.0%)	377.5	387.9	+10.3	(+2.7%)
Ordinary profit	15.0	11.9	-3.0	(-20.4%)	22.5	20.2	-2.3	(-10.4%)
Net income	7.9	6.3	-1.6 ^{*1}	(-20.1%)	9.7	10.2	+0.5	(+5.7%)
			Growth in adjusted EV		47.4	90.0	+42.6	(+89.9%)

*1 Net income decreased because temporary hike of reversal of policy reserve decreased (impact of increase in policy transfer due to launch of new medical insurance for the first time in 6 years).

(Billions of yen)	End of FY2014	End of 1H FY2015	Change
Amount of business in force	21,043.1	21,318.6	+682.6
Annualized premium in force	317.4	325.2	+7.7

Breakdown

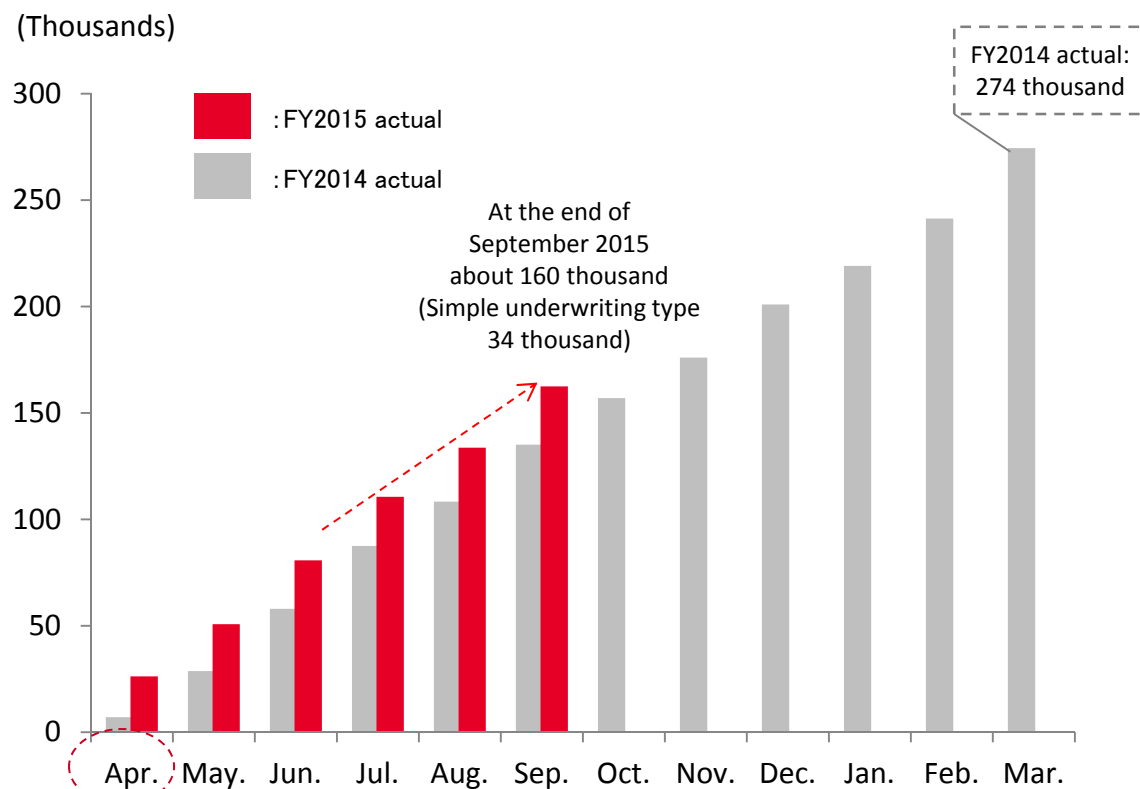
	Change
Protection-type	+6.6
Saving-type	+1.1
Total	+7.7

* Amount of business and annualized premium are the sum of individual insurance and individual annuities.

Sales of Medical Insurance Products

◆ Sales of medical Insurance products was about 160 thousand in 1H FY2015, and steadily progressed against the annual target of 300 thousand.

Number of sales of medical insurance



New simple underwriting medical insurance launched in April 2015

History of product development

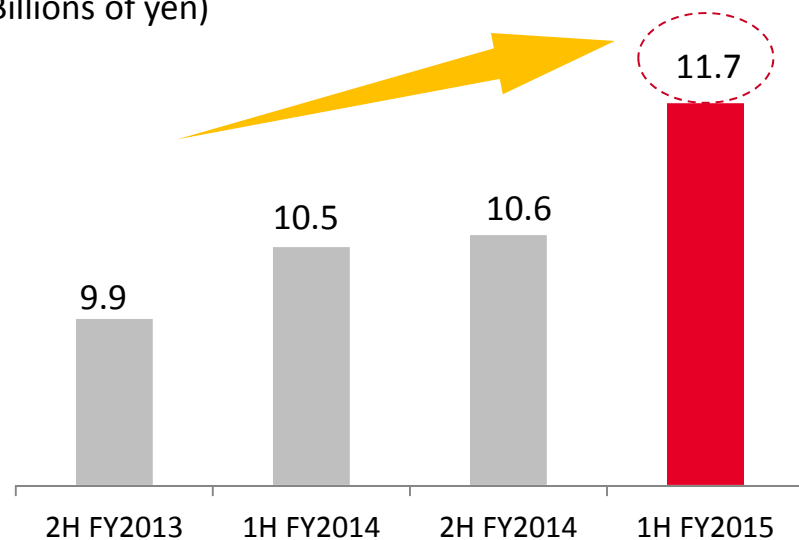
Key points		
FY2008	Medical	Increased coverage & price appeal
FY2009	Income compensation	Discount for Non smoker & healthy people
FY2010	Cancer and rider	Coverage for outpatient treatment (1st in industry)
FY2014	Medical	Further increased coverage & price appeal
FY2015	Simple underwriting medical	Eased underwriting, keeping profitability

Trend of P&C Insurance Channel and Weight of Protection-type Products

◆ Sales has steadily increased in P&C channels, and weight of protection-type products stays high.

Trends of sales in P&C insurance channels

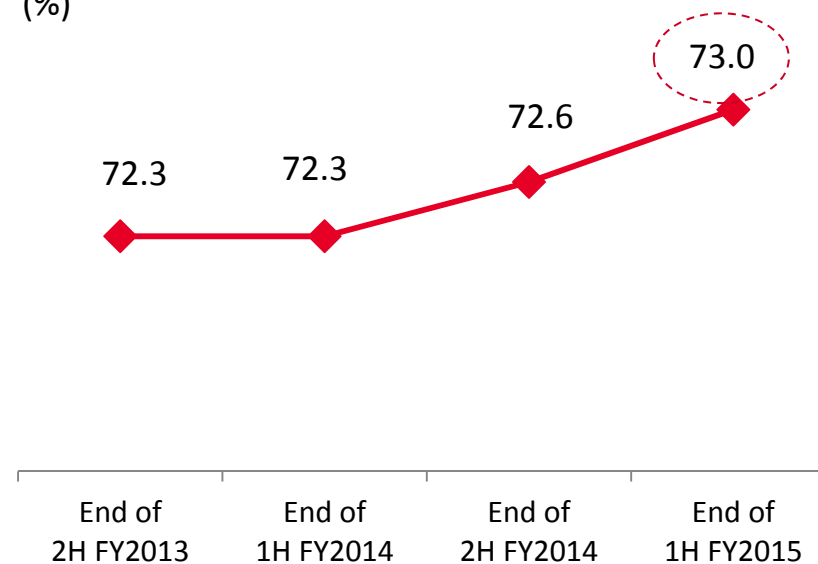
(Billions of yen)



* Annualized new premium

Weight of protection-type products

(%)

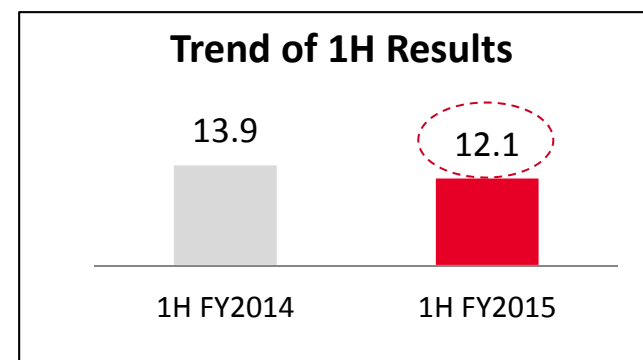
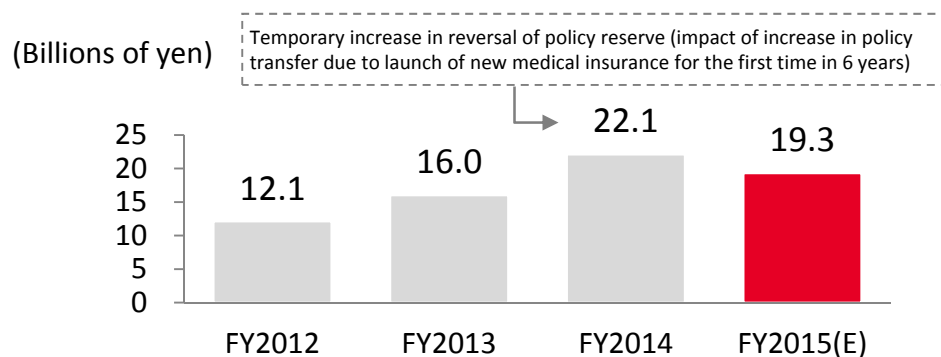


* Number of policies in force

Profit – J-GAAP

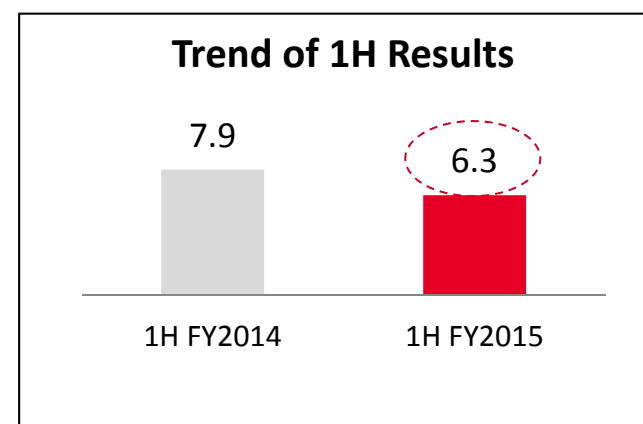
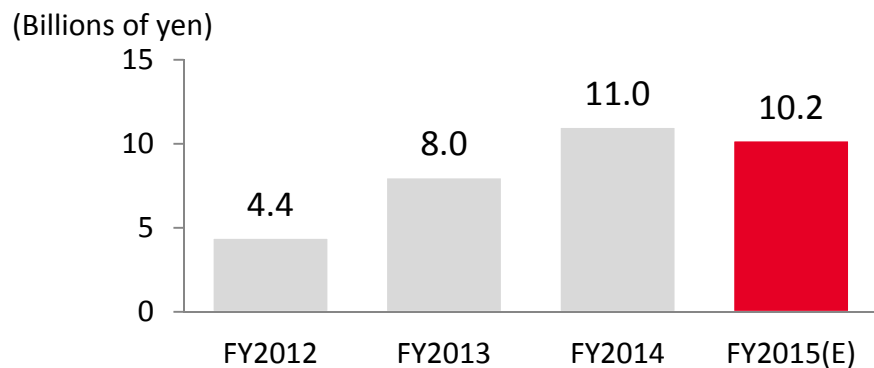
◆ Bottom-line in 1H FY2015 steadily progressed against the full year business forecast.

Basic profit*1



*1 Akin to a general business corporation's operating profit or a bank's business profit, basic profit is after deduction of capital gain or loss, such as gain or loss on the sale of securities from recurring profit, and one-time gains or losses such as provision for contingency reserve.

Net income



1. Trend of business results

2. Domestic P&C insurance

3. Domestic life insurance

4. Overseas insurance

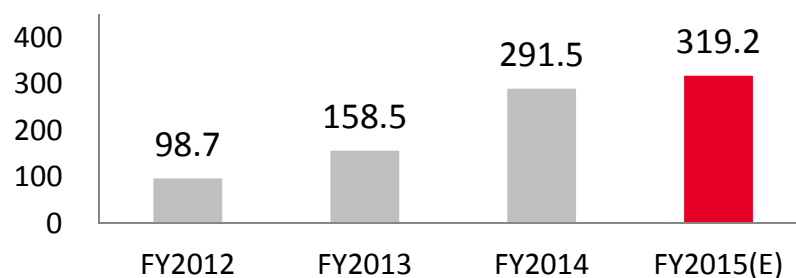
5. Investment

Overview of Business Results – Net Premiums Written, Net Income

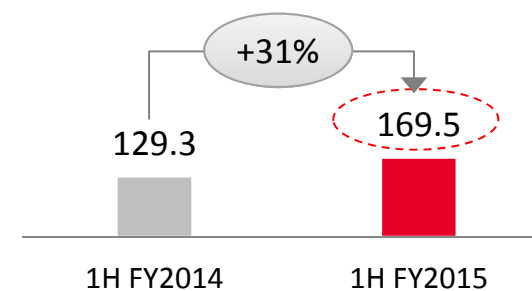
◆ Both top-line and bottom-line are steady.

Net premiums written

(Billions of yen)

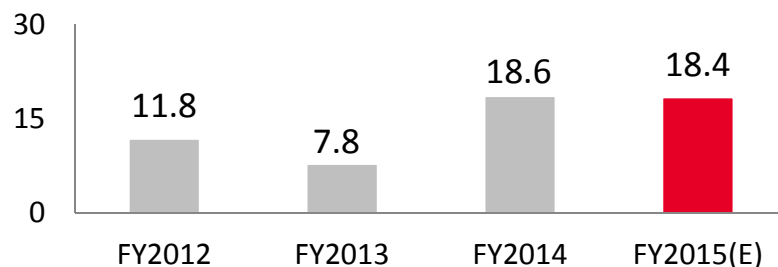


Trend of 1H Results

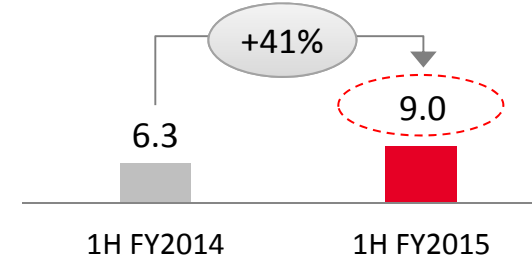


Net income

(Billions of yen)



Trend of 1H Results

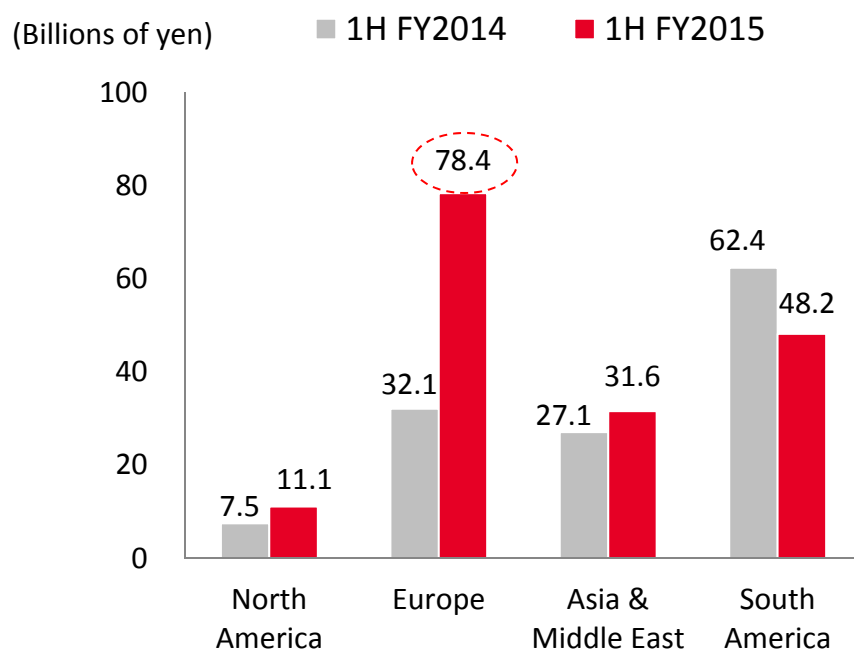


* Net premiums written of subsidiaries and affiliates reflect holding shares of each company. This treatment does not coincide with financial statements. The net income figures also have been adjusted to reflect shareholdings and other factors.

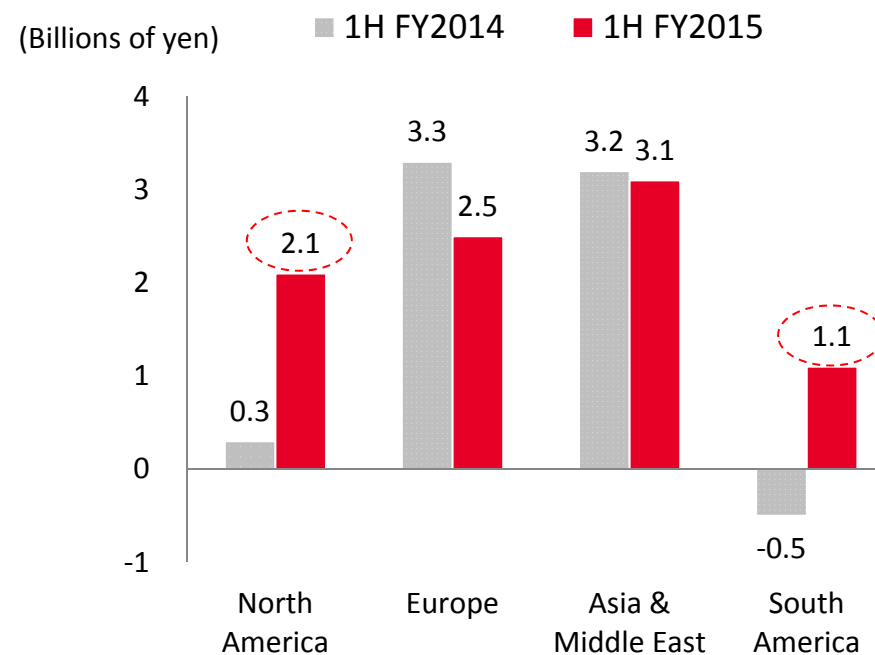
Business Results by Region

◆ Europe largely contributed to top-line, and bottom-line improved in North and South America.

Net premiums written (by region)



Net income (by region)



* Net premiums written of subsidiaries and affiliates reflect holding shares of each company. This treatment does not coincide with financial statements. The net income figures also have been adjusted to reflect shareholdings and other factors.

Business Results by Company

Performance of overseas subsidiaries

(Billions of yen)		Net premiums written			Net income			Key points of 1H FY2015 results
		1H FY2015	Change	FY2015 (Forecast)	1H FY2015	Change	FY2015 (Forecast)	
North America	SJ America	11.1	+3.6	23.9	2.1	+1.8	2.6	Net income increased due to realized gain on equity sales, etc.
Europe	SJNK Europe + NK Europe	3.1	+0.3	5.4	-0.1	-0.2	0.4	There was impact of one-time big claims.
	Canopus (UK)	75.2	+45.9	153.7	2.6	-0.6	9.2	Premium increased due to full-year contribution. Bottom-line was due to one-time big claims.
Asia & Middle East	SJ Sigorta (Turkey)	12.1	+1.9	19.2	1.0	-0.6	1.5	In line with the plan .
	Tenet Sompo (Singapore)	5.5	+1.3	8.0	0.7	-0.0	0.8	High progress rate due to loss ratio lower than planned.
	Berjaya Sompo (Malaysia)	6.2	+0.7	10.4	0.9	+0.4	1.0	Net income increased due to loss ratio in line with the plan and higher investment profit.
	SJNK China + NK China	3.9	-0.3	7.4	0.0	+0.0	0.0	In line with the plan.
	SJNK Hong Kong	2.4	+0.4	4.3	0.4	+0.0	0.6	Loss ratio stays low.
	Universal Sompo (India)	1.3	+0.2	3.0	0.0	+0.0	0.1	In line with the plan.
South America	Yasuda Maritima (Brazil)	48.2	-14.1	83.4	1.1	+1.6	1.7	Despite decreasing premiums due to review of underperforming policies, net income increased due to improvement of loss ratio, etc.
Total		169.5	+40.1	319.2	9.0	+2.6	18.4	—

* Net premiums written of subsidiaries and affiliates reflect holding shares of each company. This treatment does not coincide with financial statements. The net income figures also have been adjusted to reflect shareholdings and other factors.

1. Trend of business results

2. Domestic P&C insurance

3. Domestic life insurance

4. Overseas insurance

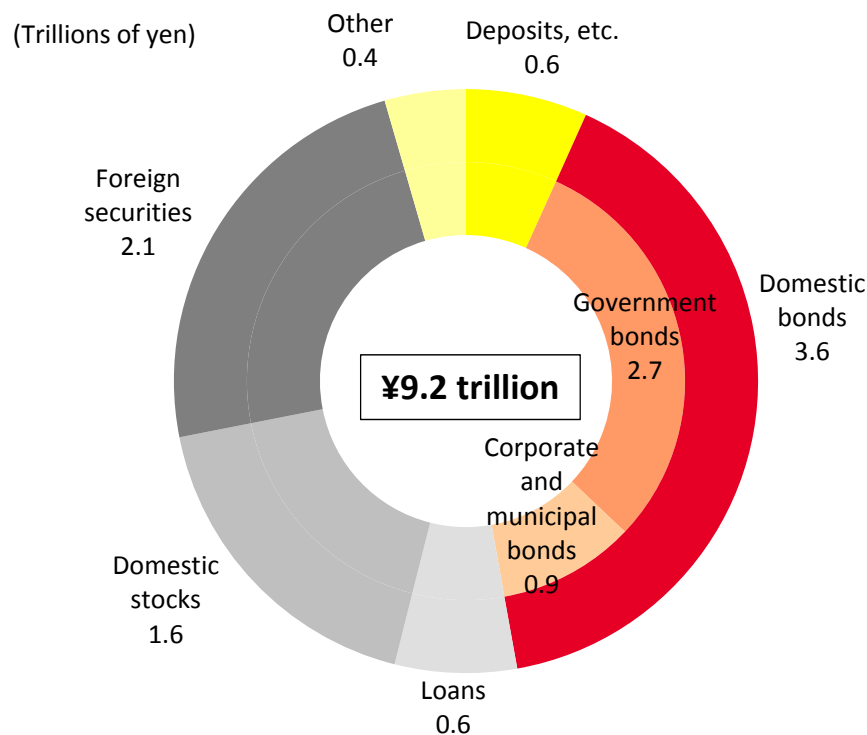
5. Investment

Asset Portfolio – Group-wide

- ◆ Aim at stable investment profit through the ALM, considering the character of liability and liquidity.
- ◆ Continue to sell the domestic stocks, almost of which are strategic-holding stocks.

Amount of investment assets (Group consolidated base, as of end of September 2015)

By asset class



By company

(Billions of yen)	Amount of investment assets	Composition
Sompo Japan Nipponkoa (consolidated)	6,209.3	68.1%
Himawari Life (consolidated)	2,291.0	23.9%
Overseas group subsidiaries	659.1	7.2%
Saison Automobile & Fire	37.7	0.4%
Sonpo 24	21.1	0.2%
Other domestic subsidiaries	11.5	0.1%
Total	9,229.9	100%

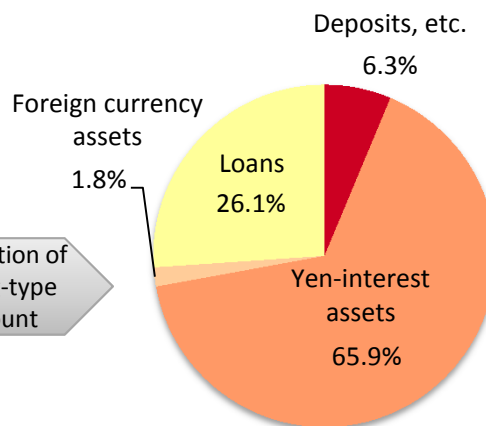
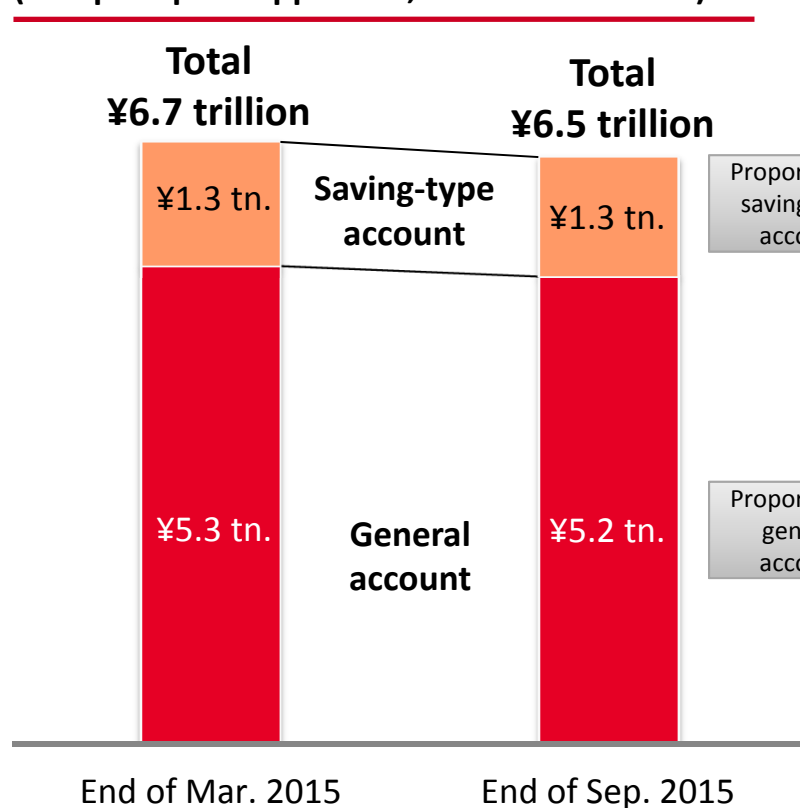
* Other includes lands, buildings and stocks of non-consolidated subsidiaries, etc.

Asset portfolio – Sompo Japan Nipponkoa

◆ The general account is managed with diversified investments while the saving-type account utilizes portfolio management based on ALM.

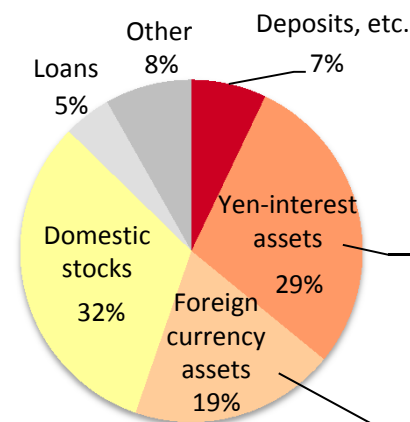
Amount of investment assets

(Sompo Japan Nipponkoa, non-consolidated)



Duration of saving-type account

	End of Mar. 2015	End of Sep. 2015
Asset	4.5y	4.6y
Liability	6.2y	6.1y

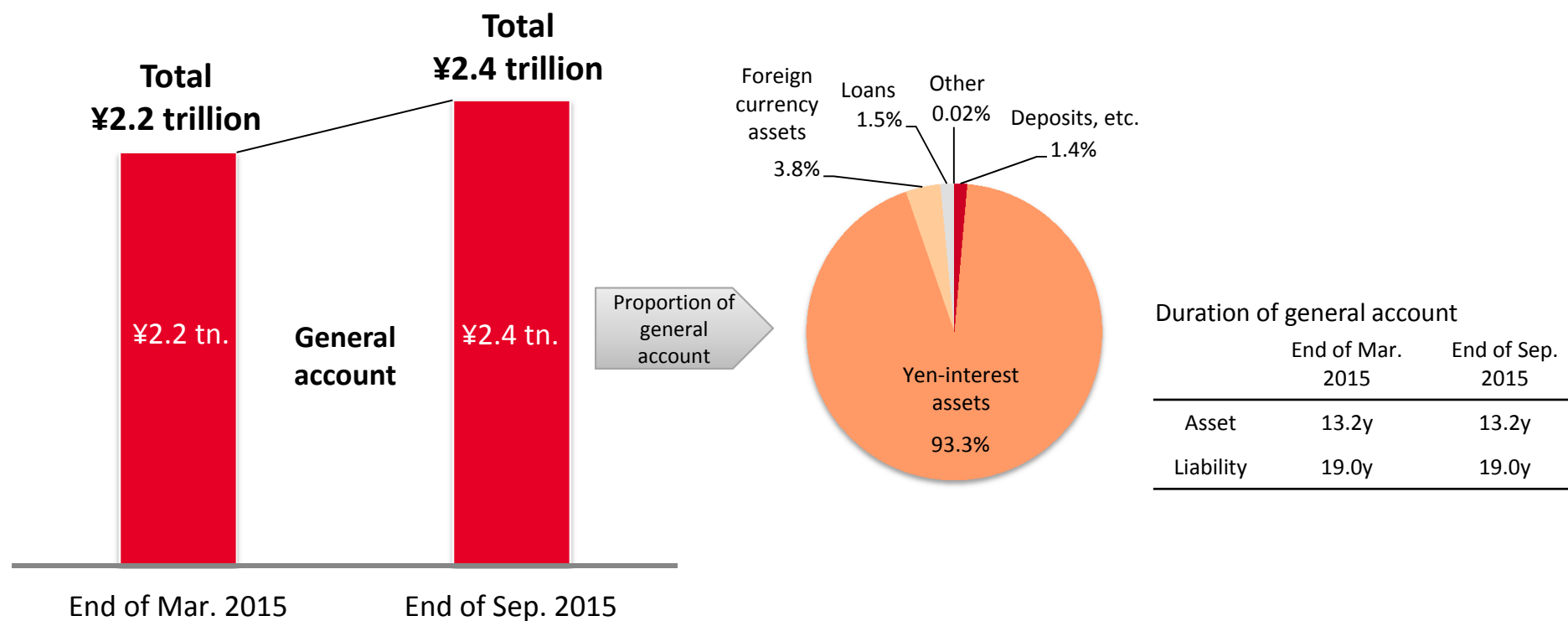


	Government bonds	Corporate and municipal bonds	Hedged foreign bonds
Break down	14.0%	2.5%	12.3%
	Foreign bonds	Funds, etc.	Subsidiaries, affiliates
Break down	4.5%	8.2%	6.7%

Asset portfolio – Himawari Life

- ◆ Manage the portfolio through disciplined ALM, which mainly consists of yen-denominated interest-bearing assets.

Amount of investment assets (Himawari Life, non-consolidated)



* Amount of separate account is about ¥20 billion.

(Reference) Numerical Management Targets

(Billions of yen)		FY2013 (Actual)	FY2014 (Actual)	FY2015		
				(1H Actual)	(Forecast)	(Plan)
Domestic P&C insurance*1	Adjusted profit	6.5	69.9	37.5	112.7	70.0-80.0
Sompo Japan Nipponkoa	Net premiums written	2,082.1	2,181.3	1,140.6	2,220.9	2,040.0
	(excl. CALI)	1,783.9	1,876.0	982.2	1,918.6	1,740.0
	Loss ratio	65.7%	65.6%	59.3%	63.0%	65.6%
	(excl. CALI/Fin. Guarantee)	62.7%	63.2%	56.3%	60.1%	62.8%
	Net expense ratio	32.2%	31.8%	31.7%	31.4%	30.6%
	(excl. CALI)	34.2%	33.6%	33.5%	33.2%	32.6%
Sompo Japan Nipponkoa	Combined ratio	97.9%	97.4%	91.0%	94.4%	96.2%
	(excl. CALI/Fin. Guarantee)	96.9%	96.8%	89.8%	93.3%	95.3%
Domestic life insurance	Growth in embedded value (EV)	85.7	47.4	-	90.0	100.0 - 110.0
Overseas insurance	Net income	7.8	18.6	9.0	18.4	14.0 - 20.0
Financial & other services	Net income	1.5	2.3	0.9	2.2	2.0 - 3.0
Group total	Adjusted consolidated profit	101.5	138.3	-	223.0	180.0 - 210.0
Adjusted consolidated ROE*2		4.3%	5.2%	-	7.6%	Over 7%

Definition of adjusted profit

Domestic P&C insurance*1

Net income
 + Provisions for catastrophic loss reserve (after tax)
 + Provisions for reserve for price fluctuation (after tax)
 - Gains/losses on sales of securities and impairment losses on securities (after tax)
 - Special factors

Domestic life insurance

Growth in embedded value (EV)
 - Capital transactions such as equity issuance
 - Changes in EV attributable to fluctuation of interest rates, etc.

Overseas insurance

Net income

Financial and other services

Net income

*1 Total of Sompo Japan Nipponkoa, Sonpo 24, and Saison Automobile & Fire (non-consolidated).

*2 Adjusted consolidated ROE = Adjusted consolidated profit / Adjusted consolidated net assets *The denominator is the average balance at the end/start of each fiscal year.

Adjusted consolidated net assets = Consolidated net assets (excluding life insurance subsidiary's net assets)

+ Catastrophic loss reserve (after tax) + Reserve for price fluctuation (after tax) + Life insurance subsidiary's EV

Note Regarding Forward-looking Statements

The forecasts included in this document are based on the currently available information and certain assumptions that we believe reasonable. Accordingly, the actual results may differ materially from those projected herein depending on various factors.

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